

Memorandum

To: Chairman and Commissioners

Date: November 21, 2005

From: DIANE C. EIDAM

**File No:
Book Item 2.1e
Action**

Ref: Project Approval for \$540,955 to the Department of Transportation for the Oakland to San Jose Track Improvements Project on the Capitol Corridor

Issue:

Should the Commission approve the Department's application to use \$540,955 in Proposition 116 (PUC 99622[c]) Rail Bond Program funds to assist with the construction of the Oakland to San Jose Track Improvements Project – specifically the CP Coast to Santa Clara Section?

Recommendation:

Commission staff has reviewed the Proposition 116 application, as well as subsequent clarifications and amendments to the Proposition 116 application and recommends that the Commission approve the attached resolution which would grant approval of the Department's application for \$540,955 in Proposition 116 funds to assist with the construction on the CP Coast to Santa Clara section of the Oakland to San Jose Track Improvements project.

Background:

Proposition 116 (PUC Section 99622) authorizes \$230,000,000 to the Department of Transportation, as follows:

- (a) Improvements to the Los Angeles-San Francisco Bay Area passenger rail corridor and extensions of the corridor to Sacramento [known as the San Joaquin Corridor] \$140,000,000
- (b) Preliminary engineering and feasibility studies of a high speed passenger rail link between Bakersfield and Los Angeles, \$5,000,000
- (c) Implementation of intercity rail service from Placer County to Santa Clara County [known as the Capitol Corridor], \$85,000,000.

At the August 2005 Commission meeting, the Commission approved amended applications for various Departmental projects that were either completed or no longer feasible, which provided for funds to be programmed to other eligible projects.

In October 2005, the Commission received an application from the Department requesting \$540,955 in Proposition 116 (PUC Section 99622[c]) Rail funds to assist with the construction of the Oakland to San Jose Track Improvement project. These funds will be used specifically on the CP Coast to Santa Clara Section to assist with the retiring, replacing and realigning of existing tracks in the vicinity of UPRR's Newhall Yard and the Caltrain's Santa Clara Station.

The total project cost is as follows:

Proposition 116	\$ 540,955
STIP(SHA/IPP/PTA)	\$33,785,000
TCRP	\$23,725,000
<u>Local</u>	<u>\$ 459,045</u>
Total	\$58,510,000

Approval of the attached resolution would authorize all the Proposition 116 funds that are available under PUC Section 99622[c].

CALIFORNIA TRANSPORTATION COMMISSION

Commission Project Application Approval Amendment
Department of Transportation
Proposition 116 Application for the
Various Projects

Resolution PA-05-

- 1.1 WHEREAS, in June 1990 the voters approved Proposition 116, the Clean Air and Transportation Improvement Act, for \$1.99 billion for rail and mass transportation purposes; and
- 1.2 WHEREAS, the California Transportation Commission is designated in Proposition 116 to oversee the five grant programs over the 20-year term of the Proposition; and
- 1.3 WHEREAS, Proposition 116 calls for the Commission to establish an application process and to develop and adopt guidelines to implement those programs; and
- 1.4 WHEREAS, Proposition 116 establishes as a purpose of the application process that it "facilitate implementation of improved cost-effective transit service to the maximum number of Californians and to prevent the funds provided for by this part from being spent on needlessly costly features"; and
- 1.5 WHEREAS, Proposition 116 requires applications to specify full and complete capital plans, financial plans, and operating plans, including schedules and funding sources; and
- 1.6 WHEREAS, the financial plans include a back-up funding plan, should the project exceed the cost approved by the Commission the increased cost shall be covered by funds other than Proposition 116; and
- 1.7 WHEREAS, the Commission has established a Hazardous Waste Identification and Clean-up Policy (#G-91-2) that requires the local agency to have performed full due diligence in identifying the hazardous waste in the right-of-way and easements and properties as well as clean-up, and that the state has been indemnified from clean-up liability of damages, both present and future; and
- 1.8 WHEREAS, in December 1990 the Commission adopted policy and application guidelines (#G-90-23) for the Proposition 116 rail program; and
- 1.9 WHEREAS, Proposition 116 (PUC Section 99622) authorizes \$230,000,000 to the Department of Transportation, as follows:
 - (a) Improvements to the Los Angeles-San Francisco Bay Area passenger rail corridor and extensions of the corridor to Sacramento [known as the San Joaquin Corridor]
\$140,000,000

- (b) Preliminary engineering and feasibility studies of a high speed passenger rail link between Bakersfield and Los Angeles, \$5,000,000
- (c) Implementation of intercity rail service from Placer County to Santa Clara County [known as the Capitol Corridor], \$85,000,000; and

- 1.10 WHEREAS, the Proposition 116 (PUC Section 99622 [c]) authorizes \$85,000,000 to the Department of Transportation (Department) to implement intercity rail service; and
- 1.13 WHEREAS, in October 2005, the Commission received an application from the Department requesting approval of \$540,955 in Proposition 116 funds for the Oakland to San Jose Track Improvements on the Capitol Corridor Route; and
- 1.14 WHEREAS, the October 2005 , Proposition 116 application from the Department, including all supplemental information, has been reviewed by Commission staff, and appears to meet all the basic requirements as specified in Proposition 116 and the Commission's policies and guidelines; and
- 2.1 NOW, THEREFORE BE IT RESOLVED, that the Commission hereby approves the Proposition 116 application from the Department for the Oakland to San Jose Track Improvements project for \$540,955; and
- 2.2 BE IT FURTHER RESOLVED, that a Proposition 116 project approval by the Commission reserves the State funding within the Program, and allows project development work to be undertaken by the applicant agency, which will be subject to state reimbursement pursuant to the Commission's "Guidelines for Allocating, Monitoring, and Auditing Funds for Local Assistance Projects" and subsequent fund transfer agreement.